

§ 180.415

§ 180.415 Notice of proposed adverse action regarding Federal financial assistance in non-Fair Housing Act matters.

(a) *Filing and service.* Within 10 days after a recipient/applicant has requested a hearing, as provided for in 24 CFR parts 1, 6, 8, or 146, the General Counsel shall file a notice of proposed adverse action with the Docket Clerk and serve copies (with the additional information required under paragraph (b) of this section) on all respondents and complainants.

(b) *Contents.* The notice of proposed adverse action shall consist of a short and plain written statement of the facts and legal authority upon which the proposed action is based. A notification shall be served with the notice containing the following information:

(1) That an administrative hearing will be held at a date and place specified.

(2) That the respondent will have an opportunity to file an answer to the notice of adverse action within 30 days after its service.

(3) That the complainant may participate as an amicus curiae by filing a timely request to do so.

(4) That discovery must be concluded by a date specified.

(5) That the rules specified in this part shall govern the proceeding.

(c) *Consolidation.* The ALJ may provide for non-Fair Housing Act proceedings at HUD to be joined or consolidated for hearing with proceedings in other Federal departments or agencies, by agreement with such other departments or agencies. All parties to any proceeding consolidated subsequent to service of the notice of proposed adverse action shall be promptly served with notice of such consolidation.

[61 FR 52218, Oct. 4, 1996, as amended at 64 FR 3802, Jan. 25, 1999; 74 FR 4636, Jan. 26, 2009]

§ 180.420 Answer.

(a) Within 30 days after service of the charge or notice of proposed adverse action, a respondent may file an answer. The answer shall include:

(1) A statement that the respondent admits, denies, or does not have and is unable to obtain sufficient information to admit or deny, each allegation

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made. A statement of lack of information shall have the effect of a denial. Any allegation that is not denied shall be deemed to be admitted.

(2) A statement of each affirmative defense and a statement of facts supporting each affirmative defense.

(b) Failure to file an answer within the 30-day period following service of the charge or notice of proposed adverse action shall be deemed an admission of all matters of fact recited therein and may result in the entry of a default decision.

§ 180.425 Amendments to pleadings.

(a) *By right.* HUD may amend the charge or notice of proposed adverse action once as a matter of right prior to the filing of the answer.

(b) *By leave.* Upon such conditions as are necessary to avoid prejudicing the public interest and the rights of the parties, the ALJ may allow amendments to pleadings upon a motion of a party.

(c) *Conformance to the evidence.* When issues not raised by the pleadings are reasonably within the scope of the original charge or notice of proposed adverse action and have been tried by the express or implied consent of the parties, the issues shall be treated in all respects as if they had been raised in the pleadings, and amendments may be made as necessary to make the pleading conform to evidence.

(d) *Supplemental pleadings.* The ALJ may, upon reasonable notice, permit supplemental pleadings concerning transactions, occurrences or events that have happened or been discovered since the date of the pleadings and which are relevant to any of the issues involved.

§ 180.430 Motions.

(a) *Motions.* Any application for an order or other request shall be made by a motion which, unless made during an appearance before the ALJ, shall be in writing and shall state the specific relief requested and the basis therefor. Motions made during an appearance before the ALJ shall be stated orally and made a part of the transcript. All parties shall be given a reasonable opportunity to respond to written or oral motions or requests.

(b) *Responses to written motions.* Within seven calendar days after a written motion is served, any party to the proceeding may file a response in support of, or in opposition to, the motion. Unless otherwise ordered by the ALJ, no further responsive documents may be filed. Failure to file a response within the response period constitutes a waiver of any objection to the granting of the motion.

(c) *Oral argument.* The ALJ may order oral argument on any motion.

§ 180.435 Prehearing statements.

(a) Before the commencement of the hearing, the ALJ may direct the parties to file prehearing statements.

(b) The prehearing statement must state the name of the party presenting the statement and, unless otherwise directed by the ALJ, briefly set forth the following:

(1) The issues involved in the proceeding;

(2) The facts stipulated by the parties and a statement that the parties have made a good faith effort to stipulate to the greatest extent possible;

(3) The facts in dispute;

(4) The witnesses (together with a summary of the testimony expected) and exhibits to be presented at the hearing;

(5) A brief statement of applicable law;

(6) Conclusions to be drawn;

(7) Estimated time required for presentation of the party's case; and

(8) Such other information as may assist in the disposition of the proceeding.

§ 180.440 Prehearing conferences.

(a) Before the commencement of or during the course of the hearing, the ALJ may direct the parties to participate in a conference to expedite the hearing. Failure to attend a conference may constitute a waiver of all objections to the agreements reached at the conference and to any order with respect thereto.

(b) During the conference, the ALJ may dispose of any procedural matters on which he/she is authorized to rule. At the conference, the following matters may be considered:

(1) Pre-trial motions;

(2) Identification, simplification and clarification of the issues;

(3) Necessary amendments to the pleadings;

(4) Stipulations of fact and of the authenticity, accuracy, and admissibility of documents;

(5) Limitations on the number of witnesses;

(6) Negotiation, compromise, or settlement of issues;

(7) The exchange of proposed exhibits and witness lists;

(8) Matters of which official notice will be requested;

(9) Scheduling actions discussed at the conference; and

(10) Such other matters as may assist in the disposition of the proceeding.

(c) Conferences may be conducted by telephone or in person, but generally shall be conducted by telephone, unless the ALJ determines that this method is inappropriate. The ALJ shall give reasonable notice of the time, place and manner of the conference.

(d) *Record of conference.* Unless otherwise directed by the ALJ, the conference will not be stenographically recorded. The ALJ will reduce the actions taken at the conference to a written order or, if the conference takes place less than seven days before the beginning of the hearing, may make a statement at the hearing and on the record summarizing the actions taken at the conference.

§ 180.445 Settlement negotiations before a settlement judge.

(a) *Appointment of settlement judge.* The ALJ, upon the motion of a party or upon his or her own motion, may request the Director of the Office of Hearings and Appeals to appoint another ALJ to conduct settlement negotiations. The order shall direct the settlement judge to report to the presiding ALJ within specified time periods.

(b) *Duties of settlement judge.* (1) The settlement judge shall convene and preside over conferences and settlement negotiations between the parties and assess the practicalities of a potential settlement.

(2) The settlement judge shall report to the presiding ALJ describing the status of the settlement negotiations,